

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P O BOX 2350 ROOM 5127 ATTN: E.O.
LOS ANGELES, CA 900532350

DEPARTMENT OF THE TREASURY

Date: JAN. 23, 1991

Employer Identification Number:
[REDACTED]

Case Number:
[REDACTED]

Contact Person:
[REDACTED]

Contact Telephone Number:
[REDACTED]

Dear Applicant:

This is in reference to your application for exemption from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code.

In a previous contact made with your organization, you were informed that it was our opinion that you did not qualify for exemption from Federal income tax as an organization described in section 501(c)(3) of the Code. We have previously informed you of your rights of appeal in this matter and, if you were in agreement with our conclusions, we requested that you execute an agreement Form 6018.

You have indicated your agreement to our conclusion that you do not qualify for exemption from Federal income tax as an organization described in section 501(c)(3) of the Code by executing and returning the Consent to Proposed Adverse Action Form 6018.

Accordingly, we conclude that you do not qualify for exemption from Federal income tax as an organization described in section 501(c)(3) of the Code and furthermore, contributions made to you are not deductible by the donors for Federal income tax purposes.

The appropriate state officials will be notified of this action as required by section 6104(c) of the Code.

Sincerely yours,
[REDACTED]

District Director

Letter 1633(CG)

Form **6018**
(Rev. August 1983)

Department of the Treasury-Internal Revenue Service
Consent to Proposed Adverse Action
(All references are to the Internal Revenue Code)

Prepare In
Duplicate

Case Number

Date of Latest Determination Letter

Employer Identification Number

Date of Proposed Adverse Action Letter

Name and Address of Organization

RECEIVED
INTERNAL REVENUE SERVICE
EOG-2 EP/EO DIVISION

DEC 26 1990

MONTEREY PARK OFFICE
LOS ANGELES DISTRICT

I consent to the proposed adverse action relative to the above organization as shown by the box(es) checked below. I understand that if Section 7428, Declaratory Judgments Relating to Status and Classification of Organizations under Section 501(c)(3), etc. applies, I have the right to protest the proposed adverse action.

NATURE OF ADVERSE ACTION

- ☒ Denial of exemption
- ☐ Revocation of exemption, effective
- ☐ Modification of exempt status from section 501(c)() to 501(c)(), effective
- ☐ Classification as a private foundation (section 509(a)), effective
- ☐ Classification as a non-operating foundation (section 4942(j)(3)), effective
- ☐ Classification as an organization described in section 509(a)(), effective
- ☐ Classification as an organization described in section 170(b)(1)(A)(), effective

If you agree to the adverse action shown above, please sign and return this consent. You should keep a copy for your records.

If you sign this consent before you have exhausted your administrative appeal rights, you may lose your rights to a declaratory judgment under section 7428.

(Signature instructions are on the back of this form.)

Name of Organization

Signature and Title

Date

12-14-90

Signature and Title

Date

Internal Revenue Service

INTERNAL REVENUE SERVICE

District
Director

Person to Contact: [REDACTED]

Telephone Number: [REDACTED]

Refer Reply to: [REDACTED]

Date: Nov. 26, 1990

Dear applicant;

Thank you for Form 1023 received on [REDACTED].

After reviewing the information submitted, I have determined that your organization does not qualify for exemption under 501(c)(3) due to the following reasons.

According to Regulation Section 1.501(c)(3)-1(d)(1), an organization may be exempt as an organization described in section 501(c)(3) if it is organized and operated exclusively for one or more of the following purposes:

- (a) Religious,
- (b) Charitable,
- (c) Scientific,
- (d) Testing for public safety,
- (e) Literary,
- (f) Educational, or
- (g) Prevention of cruelty to children or animals.

Your organization's activities do not fall within the ambit of the above criteria. Although your organization has educational activities, you also have networking and legislative activities which do not qualify for exemption under 501(c)(3) of the IRC.

According to Regulation Section 1.501(c)(3)-1(d)(1)(ii), an organization is not organized and operated exclusively for charitable, etc., purposes if it is organized and operated for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly, by such private interests. This is the "inurement of benefit" test of the Internal Revenue Code Section 501(c)(3).

In Form 1023 and both brochures, you stated that one of your purposes is networking. Networking provides a benefit to individual members. Thus, your organization does not qualify for

exemption under 501(c)(3) of the Internal Revenue Code.

Please be aware that if your organization engages in legislative activities, it cannot be more than a substantial part of your organization's total purpose. Substantial defined according to the IRS is 15 percent.

Although your organization may be engaged in less than 15 percent legislative activities, and your formed for an educational purpose, the fact that you provide networking for individual members unequivocally excludes you from exemption under 501(c)(3) of the Internal Revenue Code.

Please have an authorized officer sign and date Form 5018, and return it within 25 days from the date of this letter in the envelope provided.

Please Note: If you do not respond within 25 days from the date of this letter with a signed and dated Form 6018, a formal adverse determination letter will be forthcoming. A formal adverse determination letter is recorded in the IRS computer system as unagreed adverse. Thus, it is very important to return Form 6018.

If you have any questions, please contact me at the telephone number posted on the first page of this letter.

Sincerely,

